



**U. S. Department of Justice**

*United States Attorney  
Middle District of Georgia*

---

*Post Office Box 1702  
Macon, Georgia 31202*

*Phone: 478-752-3511  
Fax: 478-621-2604*

**FOR IMMEDIATE RELEASE  
AUGUST 18, 2004**

**CONTACT: SUE McKINNEY**

**PRESS RELEASE**

**Macon:** Max Wood, the United States Attorney for the Middle District of Georgia announced today that on August 18, 2004, KEVIN LEE WASHBURN, was sentenced before the Honorable Duross Fitzpatrick, United States Judge for the Middle District of Georgia.

On March 23, 2004, WASHBURN entered a guilty plea to one count of money laundering in violation of Title 18, United States Code, Section 1957. WASHBURN and others developed a scheme to defraud various financial institutions within the Middle District of Georgia, as well as Dudley B. Christie, a stockholder of Charter Capital Services, Inc. The primary business of Charter Capital Services, Inc., was to act as a brokerage firm, originating loans for residential properties.

Conspirators using deceit and trickery, would encourage Dr. Christie to cosign promissory notes and warehouse lines of credit, in his personal capacity, with Charter Capital Services, Inc. In some instances, conspirators would forge promissory notes executed in the name of Dudley B. Christie. Further, bank accounts were established on behalf of Charter Capital Services, Inc., at various financial institutions located within the Middle District of Georgia. The investor's funds were deposited into said bank accounts.

WASHBURN and another person were able to artificially and fraudulently inflate the amounts contained in the various bank accounts by depositing, and causing to be deposited, false, fictitious and forged checks and financial instruments. Further, after Charter Capital Services, Inc., received moneys, funds, assets and credits from the unsuspecting investor, WASHBURN would surreptitiously and fraudulently withdraw, and cause to be withdrawn, said moneys, funds, assets and credits from the bank accounts of Charter Capital Services, Inc. Said accounts were under the custody and control of various financial institutions, including Bank of America and Wachovia Bank.

In order to artificially inflate the various bank accounts, and subsequently secrete, and to hide the true ownership and location of the ill-gotten gains, WASHBURN, and another person formed, and caused to be formed, a separate corporation with a similar name, that is, Charter Mortgage Services, Inc. Bank accounts were established in the name of Charter Mortgage Services, Inc., at various financial institutions located in the Middle District of Georgia, including Branch Banking and Trust

(BB&T), and Colonial Bank. In 1999 and 2000, WASHBURN and another person, would make, and cause to be made, a series of false, fraudulent and fictitious checks in order to fraudulently withdraw funds from the bank accounts for Charter Capital Services, Inc., and to transfer, deposit, and secrete those embezzled funds into the accounts for Charter Mortgage Services, Inc., as well as other companies.

In this manner, WASHBURN, and another person, were able to unlawfully transfer, secrete and hide not more than approximately \$2,254,899.04.

WASHBURN received a sentence of forty-one (41) months imprisonment, to be followed by three (3) years of supervised release. There is no parole in the Federal System. In addition, WASHBURN was ordered to pay restitution in the amount of \$154,708.86, and to pay a \$10,000.00 fine.

On May 26, 2003, WASHBURN's co-defendant, MONTY R. GARRETT, plead guilty to conspiracy to commit money laundering in violation of Title 18, United States Code, Section 1956(h). GARRETT will be sentenced at a later date.

The charges against WASHBURN arose from an investigation conducted by the Georgia Bureau of Investigation and the Internal Revenue Service - Criminal Investigation Division. The prosecution was handled by Assistant United States Attorney Harry J. Fox, Jr.

Any questions concerning this matter should be addressed to Sue McKinney, Press Contact, United States Attorney's Office, at (478) 621-2602.

**APPROVED FOR RELEASE**

---

**MAXWELL WOOD**  
**UNITED STATES ATTORNEY**